

Division Director

DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

August 15, 2001

Rick Olsen, General Manager Canyon Fuel Company, LLC P.O. Box 1029 Wellington, Utah 84542

Re:

Exploration of Dugout & Pace Canyon Area, Canyon Fuel Company, LLC, Dugout

Canyon Mine, C/007/039-EX01B-1, Outgoing File

Dear Mr. Olsen:

The Division received your response to deficiencies in the July 19, 2001 Technical Analysis on August 6, 2001. A copy is being forwarded to the School and Institutional Trust Lands Administration (SITLA) for their information. It is understood that you have already posted the required bond with SITLA.

If you have any question, please call Steve Demczak at (435)-613-5242 or me at (801) 538-5268.

Sincerely,

Permit Supervisor

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Tom Faddies, SITLA w/app cc: Price Field Office w/o

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